



# **COUNCILMEMBER DONNA FRYE**

*CITY OF SAN DIEGO – SIXTH COUNCIL DISTRICT*

## **Press Release**

For Immediate Release  
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### **FRYE TAKES ANOTHER STEP TOWARDS FISCAL REFORM AT CITY HALL**

*Asks for Removal of Pension Board President*

**San Diego, CA-** Today, Councilmember Donna Frye asked the City Attorney to draft a resolution for the Monday August 8, 2005, City Council meeting to remove board President Peter Prevolos as a member of the San Diego City Employees Retirement System (SDCERS) board.

The SDCERS financial statements for 2003 and 2004 failed to include an illegal acts investigation. This investigation was critical for ensuring that the audited financial reports for the retirement system are accurate and properly reflect the accurate financial condition of the retirement system.

Mr. Prevolos has been asked repeatedly to order an illegal acts investigation and has failed to do so in violation of his fiduciary duty to the pension plan.

"I have asked the City Attorney to prepare a resolution removing Mr. Prevolos from the pension board for cause based upon his breach of fiduciary duty to order an illegal acts investigation for the 2003 and 2004 pension audits," stated Frye. "I have also spoken with Deputy Mayor Atkins and asked that she docket this so our City can move forward and resolve our fiscal crisis."

Today's action complements the major progress made this week to institute fiscal reform and turn our City around. This progress includes:

- 1) The City seeking declaratory relief action to determine if the pension benefits granted in 1996 and 2002 are legal.
- 2) Councilmember Frye and Deputy Mayor Atkins instituting monthly budget updates of every city department so that the Council, the public, and Wall Street know the exact financial condition of our City and how our money is spent.

"With the change in leadership at City Hall," Frye said, "we are making real progress in instituting fiscal reform and restoring our financial health. We are committed to turning this City around and making San Diegans proud and confident in their City again."

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